Application: A.23-06-024 Witness: Alan L. Haven

Chapter: 3

PREPARED DIRECT TESTIMONY OF ALAN L. HAVEN ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY (PROCUREMENT PROPOSAL)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

December 21, 2023

PREPARED DIRECT TESTIMONY OF ALAN L. HAVEN CHAPTER 3 (PROCUREMENT PROPOSAL)

I. PURPOSE

Pursuant to Decision ("D.") 22-02-025, on June 30, 2023, Southern California Gas Company ("SoCalGas") filed application ("A.) 23-06-024 proposing a Senate Bill ("SB") 1440 gasification pilot project ("SB 1440 Pilot Project") that utilizes woody biomass to produce and inject biomethane into the SoCalGas pipeline system ("Application"). Ordering Paragraph 43 of D.22-02-025 provides that SoCalGas and Pacific Gas and Electric Company "shall each file an application no later than July 1, 2023, proposing at least one woody biomass gasification project" that includes "the procurement of bio-SNG from forest, agricultural, and urban wood waste pyrolysis and gasification projects using methanation."

The purpose of this chapter's testimony is to explain why SoCalGas is not proposing procurement from the SB 1440 Pilot Project. As indicated in the Application, consistent with D.22-02-025 and with the assistance of an independent third party, SoCalGas reviewed the sole proposal that generally met the requirements under D.22-02-025 for the SB 1440 Pilot Project, which was submitted by San Joaquin Renewables LLC in May 2023 ("SJR"). However, one of the SB 1440 procurement requirements under D.22-02-025 is for new projects, such as SJR's, to solely use non-combustion technology for onsite electric generation. SJR's proposal included a power island design that contemplates a mix of generation resources, including combustion turbines, internal combustion engines, organic Rankine cycle heat recovery generators, solar panels and batteries, and fuel cells. Although SJR's project proposal includes fuel cells for power generation and is expected to have a carbon intensity score between 0 and -35 (as determined under California's GREET model), it would still not meet the 100% non-combustion

Gasification is thermal conversion of organic materials at elevated temperature and reducing conditions to produce primarily permanent gases, with char, water, and condensables as minor products. *See* National Renewable Energy Laboratory (NREL) "An Introduction to Biomass Thermal Conversion", available at: https://www.nrel.gov/docs/gen/fy04/36831e.pdf.

² Application at 2.

³ D.22-02-025, OP 40 at 67.

Chap. 2 Testimony of James Lucas at 15-16, available at https://www.socalgas.com/sites/default/files/2023-06/Woody-Biomass-Application-Chapter2-ProjectSelection.pdf.

technology requirement under D.22-02-025. For several months, SoCalGas's Gas Acquisition Department diligently worked on a resolution with SJR to comply with such requirement, but doing so would not have made practical sense due to the project's remote location and economics.

SoCalGas is therefore not recommending procuring from SJR's project because it would not comply with SB 1440's procurement requirements. However, should the Commission modify the requirement for non-combustion technology for onsite power generation, SoCalGas would consider resuming negotiations with SJR to procure some or all of the biomethane from this project, if any.

II. WITNESS QUALIFICATIONS

My name is Alan L. Haven. My business address is 555 West 5th Street, Los Angeles, California 90013. I am employed by Southern California Gas Company as Manager of Energy Origination and Carbon Trading. My present responsibilities include leading the origination and procurement efforts of RNG/biomethane for Gas Acquisition as it relates to the SB 1440 program and for SoCalGas' CNG stations and managing the carbon trading portfolio activities to satisfy the company's carbon emissions obligations.